GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:22
ANSWERED ON:20.02.2006
SHORTAGE OF FERTILIZERS
Adsul Shri Anandrao Vithoba;Chinta Mohan Dr.

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) The demand and supply of fertilizers recorded in the country during the last three years and current year, State-wise;

(b) whether there is shortage and delay in availability of fertilizers for the ongoing Rabi season;

(c) if so, the reasons therefor;

(d) whether the Government has made an assessment of the demand and shortage of fertilizers for the Rabi season in each State;

(e) if so, the details thereof, State-wise;

(f) whether the Government proposes to set up a buffer stock of fertilizers to meet the shortage;

(g) if so, the details thereof; and

(h) the remedial steps taken/being taken to monitor the prices and check black marketing and production of adulterated and spurious fertilizers in the country ?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS & MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) to (h): A Statement is laid on the Table of House.

Statement referred to in reply to parts (a) to (h) of the Lok Sabha Starred Question No.22 to be answered on 20.02.2006.

(a): Statements indicating the State-wise demand and availability/supplies of major fertilizers namely Urea, DAP and MOP for the years 2002-03 to 2004-05 and the current year are at Annexures -I to IV.

(b) to (e): The demand of major fertilizers namely Urea, DAP and MOP is assessed for each state/UT for each crop season, before the commencement of the season in the Zonal Conferences by the Department of Agriculture & Cooperation in consultation with the State Governments. The assessed demand and estimated availability for Rabi 2005-06 season is as under:-

(Qty in Lakh MTs)

Name of Fertilizers	Assessed Demand	Estimated Availability
Urea	119.86	125.56
DAP	44.61	48.92
MOP	14.99	25.49

The state-wise demand and availability for Rabi 2005-06 is given at Annexure-IV.

(f) & (g): Yes Sir. Urea is the only fertilizer that is under partial distribution control and 50% of the urea produced in the country is allocated to States Under Essential Commodities Act (ECA). In case of the major decontrolled fertilizers` such as DAP, Government maintains Buffer Stock to meet any exigent situation. During the current financial year 2005-06, keeping in view of the lower production of DAP in the country due to tight availability of raw materials/intermediates in the international market, the Department enhanced the buffer stock by import of DAP to the extent of about 8 lakh MT.

The entire demand of MOP is met through imports, as there are no exploitable reserves of MOP in the country. Keeping in view the adequate imports of MOP by importers during the year, no buffer stock of MOP was required.

(h): In order to ensure the adequate availability of the right quality of fertilizer at reasonable prices to the farmers throughout the country, the Department of Agriculture & Cooperation (DAC) the Government of India declared fertilizer as an Essential commodity and the Fertilizer Control Order (FCO) promulgated under Section 3 of Essential Commodities Act, 1955 to regulate trade, price, quality and distribution of fertilizer in the country. The FCO was subsequently revised in 1985. At present Urea, Zincated Urea and anhydrous Ammonia are under statutory price control while other fertilizers are decontrolled fertilizers. The other decontrolled fertilizers are sold in the country at indicative MRPs fixed by the Government. It is mandatory under Clause 21 to print the MRP and all other particulars on the bags of fertilizers.

The FCO provides for compulsory registration of fertilizer mixture manufacturers and authorization of dealers, specification of all fertilizers manufactured/imported and sold in the country, Regulation on manufacture of fertilizer mixtures and packing and labeling on the fertilizer bags, appointment of enforcement agencies, setting up of quality control laboratories and prohibition on the manufacturer / importer and sale of non standard/spurious/adulterated fertilizers. The order also provides for cancellation of authorization letters/ registration certificates of dealers and mixture manufacturers and also imprisonment from 3 months to 7 years with fine to offenders under ECA. Offence under FCO have also been declared as cognizable and non bailable.

The specification of the fertilizers are specified in Schedule I Part A of FCO, 1985 and FCO strictly prohibits the sale of fertilizers which are not of the prescribed standard as laid down in Schedule I. There are 67 fertiliser quality control testing laboratories in the country which includes 4 central laboratories set up by the DAC at Faridabad, Chennai, Mumbai and Kalyani for testing the samples drawn by the Fertiliser Inspectors from the field /importers / manufacturers having total annual analyzing capacity of 1.25 lakh samples p.a. A statement indicating the State-wise number of fertilizer samples analysed and found non standard during 2004-05 is enclosed at Annexure-V. The enforcement of FCO has primarily been entrusted to State Governments. The DAC provides training facilities and technical guidance to States and need based amendments in FCO, besides supplementing their efforts through random sampling & inspection in the field through their Inspectors. However, the results of these samples are also sent to State Governments for further follow up action on Non- standard samples.
Statement referred to in reply to part-(a) of the Lok Sabha Starred Question No. 22 for Answer on 20.02.2006